



Investors' Puzzling Behaviour

"The investor's chief problem- and even his worst enemy- is likely to be himself"

-Benjamin Graham, *The intelligent Investor*

- The Canadian stock market was *up* for most of February 2020
 - Investors **added** \$15.49 billion to long-term mutual funds and exchange traded funds (ETFs)*
- The Canadian stock market was *down* in March, bottoming on March 23
 - Investors **redeemed** \$15.27 billion from long-term mutual funds and ETFs*
- **Conclusion: "Investors" bought high and sold low**

*Thank you to all of the families who we serve that did not contribute to this statistic of selling low that was fueled by the fear stoked by the "doomsdayers". You stayed true to your long-range plans by remembering that stock markets **do** fluctuate with regularity. You also remembered that stock markets correct on average by 14%** every year, even in a year when performance is **positive** overall. Finally, you did not give in to fear, as you remembered that stock markets also correct by around a third every five years or so as they resume their historical permanent uptrend.*

Congratulations for sticking to your long-term plans!

We welcome your questions at any time.

R&R Investment Partners

*Source: IFIC March 2020 Statistics

**Source: JP Morgan Asset Management, *Market Insights Guide to the Markets U.S. | 2Q 2020 | As of May 31, 2020*, Page 14

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